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AMENDMENTS TO THE SPECIFICATION

Please amend paragraph [0052] with the following amended paragraph:

[0052] Low carbon steel particles comprising 0.06 wt% C and 0.24 wt% manganese (Mn) and having a cylindrical shape (rods), with a diameter of 0.0254 cm and a length of 0.9525 cm were annealed at 800°C for 1 hour in high purity flowing nitrogen gas. Black oxide coating was then applied to these particles in the same manner as described in Example 1. The particles were compacted in the form of standard toroidal ring required for testing magnetic properties as per ASTM standard A912-93. The compaction pressure used for making the toroids was 1220 MPa. The green density of the toroid was measured to be 7.78-7.37 g/cm³. The toroid was annealed at 500°C for 30 minutes. The AC peak permeability and permeability at 1 Tesla were measured to be 1190 and 1000, respectively at 60 Hz. The AC core loss at 60 Hz and 1 T was found to be 13.42 W/kg, which had contribution of 7.48 W/kg from hysteresis loss and 5.94 W/kg from eddy current loss at 1 T and 60 Hz.

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If there are any additional charges with respect to this amendment or otherwise, please charge them to Deposit Account No. 06-1130 maintained by Cantor Colburn LLP.

Respectfully submitted,

CANTOR COLBURN LLP

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